

May 7, 2003

The Honorable Thad Cochran  
Chairman  
Subcommittee on Homeland Security  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

The Honorable Robert C. Byrd  
Ranking Member  
Subcommittee on Homeland Security  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Chairman Cochran and Ranking Member Byrd:

One of the greatest challenges facing this Congress is helping federal, state, and local governments protect our people from terrorist attack. Last session, we enacted legislation to create the Department of Homeland Security (DHS), which provides a solid foundation on which to build. Without additional resources targeting our most serious vulnerabilities, however, DHS's progress—and the equally important progress of states, cities, and first responders throughout the country—will be severely limited.

The President requested, and the final budget resolution adopted, \$41.3 billion for homeland security programs throughout the federal government in the coming fiscal year. That total included about \$24 billion within DHS (about two-thirds of the overall DHS budget) and about \$17 billion for domestic defense programs in other departments and agencies, including the Defense Department.

After carefully studying the President's proposal and consulting with independent, nonpartisan experts, I have determined that it far shortchanges our urgent homeland security needs -- by \$16 billion in the coming fiscal year alone. Without \$16 billion in immediate additional funding, our ports, borders, and transportation networks will be far too vulnerable, our firefighters and police officers will lack vital training and equipment, and our chemical and biological defenses will remain unprepared for the harrowing threats that could come their way.

In my view, it is especially irresponsible for the President to shortchange homeland security as he pushes for \$550 billion in brand new tax cuts that will dig us deeper into deficit without helping our economy. I urge you to carefully consider my request for \$16 billion in funding above and beyond the President's proposal to be tied to specific, immediate improvements in our domestic defenses. The areas of need, and recommended funding, are outlined below.

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First Responders (\$7.5 B above Administration Budget)

I am advocating \$10 billion in FY 04 – \$6.5 billion above the President’s request -- to help first responders prepare for and combat terrorism, including attacks involving weapons of mass destruction. This would consist of grants that would be available for training, detection equipment, protective gear and interoperable communications equipment.

Within this overall commitment, \$4 billion should be dedicated to helping first responders obtain interoperable equipment – a vital challenge that has been estimated to cost \$18 billion overall. The September 11, 2001 attacks demonstrated the danger for first responders and the public when those responding to emergencies cannot communicate effectively. The inability of New York City police officers and firefighters to communicate with one another may have led to the deaths of hundreds of firefighters. Nineteen months later, firefighters from two communities here in the nation’s capital region (Arlington, VA and Prince George’s County, MD) told the Governmental Affairs Committee that they still cannot communicate with one another during a regional emergency. With precious few exceptions, this situation persists across the country. This is clearly a long-standing, complex and costly problem. The same issue was highlighted after the Air Florida accident over twenty years ago, the first bombing of the World Trade Center in 1993, and the bombing of the Oklahoma City Federal building in 1995. It is time we fix it once and for all.

The Public Safety Wireless Network – a project of the Justice and Treasury Departments – issued a report two weeks ago which stated that only 14 states have upgraded communications equipment enough so that public safety agencies can talk to each other during a terrorist attack or other emergency situation. The remaining states remain vulnerable during crises that require communications between police officers, firefighters, paramedics, and other emergency personnel. This problem is still with us because the federal government hasn’t made it a priority. We have basically left it up to the states, and many of them need our help. I believe we should take the lead in providing this kind of funding so that our first responders can communicate and better protect themselves and the public.

In addition to communications equipment, our first responders urgently need more equipment and training to help them safely and effectively respond to emergencies. Testimony at an April 9 Governmental Affairs Committee hearing entitled “*Investing in Homeland Security: Challenges on the Front Line*” documented basic equipment needs such as personal protective clothing and respirators, and the need for training in areas such as hazmat and WMD response. Another key concern is the need for advanced hazmat equipment and, in particular, for hazmat detection equipment, since first responders will arrive on the scene of an explosion or fire long before anyone knows that radiological or other contamination is present. First responders must have monitoring devices and the training to use them in order to take proper precautions to limit their exposure while undertaking rescue and decontamination missions.

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Additionally, I am calling for \$1 billion in FY 04 for firefighter grants – money that would be available to hire additional firefighters. This would be the first installment of the SAFER Act, which would provide more than \$7.5 billion over 7 years to help communities hire badly needed new firefighters.

These are significant new expenditures, but they are essential if we are to meet our obligations to the communities on the frontlines of the war on terror. Moreover, unlike the President's proposed budget, these funds should not come at the expense of existing programs for first responders, such as the Community Oriented Policing (COPS) grants, the Local Law Enforcement Block Grants, or the Byrne grant program. The fiscal crisis facing state and local governments has forced one in four cities to lay off police officers in the past year, according to the National League of Cities. That is creating a double danger – threatening our homeland security and the fight against domestic crime at the same time.

#### Port Security (\$2 B above Administration Budget)

Homeland security experts widely acknowledge that our ports constitute one of the most glaring weaknesses of our homeland defenses. About 7 million containers arrive at these ports each year, yet only a small percentage are searched. Any could become a vehicle to smuggle in a dangerous weapon, or even terrorists themselves. This poses a risk not only at the ports themselves, but also inland – as some of these containers travel many miles to their final destination without being searched. A terrorist attack using one of these containers could injure hundreds, if not thousands, of people and could bring the worldwide movement and processing of oceangoing cargo containers to a halt, with an enormous impact on the U.S. and world economies. A recent wargame played out by a group of government and industry experts concluded that an attack could result in disruptions of port, shipping and manufacturing activities for two months, and \$58 billion in economic losses. We cannot afford to overlook the need to secure these vital portals and the containers that pass through them.

The Administration has mostly ignored one of the most glaring needs: the physical security of these ports. The Coast Guard has estimated that it will cost \$4.4 billion to improve basic physical security at the nation's ports, starting with close to \$1 billion the first year. In addition, the Maritime Security Act mandates certain security measures without providing a funding mechanism. In an effort to jumpstart these vital improvements, I am calling for \$1.2 billion in port security grants for FY 04. This is in contrast to the Administration's proposed budget, which allocates no money for port security grants.

As you know, Senator Hollings' amendment to the budget resolution to increase port security spending by a total of \$2 billion in FY 04 and FY 05 was adopted by the Senate but

taken out in conference. I believe it is critical that this spending be restored in the appropriations process.

Moving beyond physical security, we are asking the Coast Guard to step up its supervision of the ports and adjacent maritime areas. The Coast Guard is a wonderful service, but it cannot meet this new challenge with antiquated equipment and limited resources. In a March 11 letter Senator Collins and I sent to the Senate Budget Committee, we noted that a March 2003 Coast Guard report “documents two alarming trends moving in opposite directions: a downward trend in the readiness of aging Coast Guard resources and an upward trend in maintenance costs. Replacing older, less reliable ships and aircraft in the near term will allow the Coast Guard to better balance its burgeoning homeland security role with its traditional maritime responsibilities.” Thus, I believe we must accelerate efforts to recapitalize the Coast Guard fleet – specifically, to speed up implementation of the long-planned Deepwater Initiative to upgrade and integrate the Coast Guard’s fleet and related communications equipment. President Bush has proposed \$500 million for this project in FY 04, but this is only enough to complete the project in 20 years or longer – the timetable outlined before the September 11 attacks. Clearly, current circumstances call for greater urgency. I am proposing an additional \$700 million, for a total of \$1.2 billion in FY 04, to complete the Deepwater Initiative in closer to 10 years.

Because the ports themselves are a potential target, we do not want to wait until dangerous containers arrive to investigate. Rather, we must “push the borders back” and identify and inspect as much high-risk cargo as possible before it enters our harbors. The Customs Service has made some valuable strides in this direction through the Container Security Initiative (CSI). This program stations Customs officers at overseas ports to allow for inspection of some containers before they begin their voyage to the U.S. Yet the Administration is not expanding this valuable program as forcefully as circumstances require. Although 20 ports worldwide are currently signed up to participate in the CSI, thus far the Customs Service has only deployed inspectors to 5 of those ports. President Bush has requested \$62 million for this program in FY 04, which will only support this initiative in the first group of 20 ports. A significant percentage of the goods coming into the U.S. by sea do not pass through these 20 ports, and the failure to address the needs of other seaports will leave substantial gaps that terrorists can exploit. I am calling for an additional \$100 million to allow for aggressive and effective expansion of this program, and for related initiatives to inspect and track containers as close as possible to their point of origin.

#### Bioterror and Other Weapons of Mass Destruction (\$3 B above Administration Budget)

Some of the most chilling scenarios posed by homeland security experts are those of a chemical, biological or radiological attack. We are painfully dependent on our public health

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network to help prepare for and respond to such an assault. Yet these health providers have not been given adequate resources to fulfill this role.

President Bush has proposed \$940 million (flat funding) for Centers for Disease Control (CDC) grants to help state public health departments care for and track infectious disease outbreaks. I am advocating an additional \$1 billion in FY 04 – essentially double the proposed and existing funding level – to help these departments detect and cope with a bioterror attack. Among other things, this funding could help defray the costs of administering the Administration's smallpox vaccination program. Although the recently passed supplemental appropriations bill contained \$100 million for the smallpox effort, the total cost of this program is estimated to be \$450 million. The American Public Health Association has warned that the failure to commit to full federal funding for this program may cause states and localities to divert their public health budgets for overall bioterrorism preparedness exclusively to smallpox vaccination.

In the same vein, I am urging that you double the federal appropriation for the Health Resources and Services Administration, which provides money to help hospitals increase capacity, training and supplies. These improvements are essential if our hospitals are to be prepared for a biological, chemical or radiological event, yet, again, President Bush has proposed flat funding for this program. Instead, we should increase this account by \$500 million, for a total of about \$1 billion.

It will mean little to prepare our health infrastructure, however, if they have no tools to employ – no detective or preventive measures, or countermeasures to administer after an attack. The Administration is seeking some new funds to confront this challenge – such as the proposed Project Bioshield – however, the proposals do not go far enough and are not targeted effectively enough to provide the jumpstart we need in this area. I am calling for an additional \$1.5 billion for biothreat and other key research and development countermeasures – particularly efforts to get research from “bench to bedside,” translating basic discoveries into usable products. I recommend that the money be available through the following entities: the Homeland Security Advanced Research Projects Agency (HSARPA), the National Bio-Weapons Defense Analysis Center and the Strategic National Stockpile. Increased funding of these three programs would permit adequate funding of promising countermeasures research, essential investigation of the underlying mechanism of biological threats, and procurement of needed medicines and vaccines to our defensive pharmaceutical arsenal. In addition, some of this money should be available to compensate health care workers who suffer ill effects from the smallpox vaccination program urged by the President.

Other Science and Technology Needs; Cyber-security

The Homeland Security Advanced Research Projects Agency (HSARPA) within the Science and Technology Directorate was created to be an engine of technological innovation in the area of homeland security, much as the Defense Advanced Research Projects Agency is for the Department of Defense. HSARPA was authorized to receive \$500 million in FY 03, but no money was specifically appropriated for this program in FY 03 because the agency had not been created yet. Moreover, the President's request for FY 04 includes only \$350 million for this agency. It is critical that HSARPA be better funded so that it can perform as expected to accelerate much-needed new technologies for homeland security. I am also concerned with science program balance. Substantial resources are dedicated to biodefense compared to programs focused on other threat areas, such as information technology and sensor systems for key non-biothreat missions, and resources in these other areas need to be expanded. Other program areas are also inadequately funded, including the Homeland Security Institute, a Federally Funded Research and Development Center charged with undertaking critical risk and threat analysis.

In addition, I am greatly concerned with the general lack of funding within the Department for cyber-security. Funding must be improved in three important areas: (1) Although the Information Analysis and Infrastructure Protection Directorate will be responsible for operational cyber-security within the Department, there are very few resources devoted to this key area and there is currently a weak organizational structure with no high-level leadership to facilitate the development of this program. Given the highly sensitive nature of the information that will be collected and generated by the Department, an effective cyber-security program must be created and fully funded for the Department. (2) Additional funds will be necessary to support the cyber-security research and development responsibilities of the Science and Technology Directorate, but it is my understanding that little (if any) funds have been allocated to this task. (3) Finally, funds will be needed to implement the Department's mission to promote strong cyber-security for the nation's critical infrastructure.

Transportation Security Administration (\$1.7 B above Administration Budget)

As we saw tragically on September 11, 2001, terrorists can exploit weaknesses in our transportation networks to turn them into instruments of terror. The Transportation Security Administration (TSA) was created to confront that grim reality, but it cannot succeed without more support from the Administration and Congress.

The TSA has made its initial mark at our airports, overseeing passenger screening and requirements that baggage be screened for possible explosives. Now, the agency must build on its work at airports, and expand to other transportation sectors. Unfortunately, the Administration's proposed budget allows for neither task. The Administration has requested

\$4.8 billion for TSA in FY 04, a 10% *decrease* from the Administration's FY 03 request of \$5.3B. The Administration argues that the FY03 spending reflected certain one-time agency start-up costs, primarily for the cost of purchasing explosive detection (EDS) technology for screening checked baggage. However, many of these so-called one-time costs are ongoing: many airports have yet to install the required EDS technology and will continue to need TSA assistance to fund the expenses of installing this technology, which frequently requires reinforcement of airport structures, and reconfiguration of airports to accommodate these bulky machines. The airports received \$235 million in the FY03 war supplemental for these costs, but they estimate that it will cost more than \$5 billion to complete this work. Moreover, TSA has much work left to do on non-passenger aviation issues, such as air cargo.

A broader concern is TSA's mission to address security in all modes of transportation, not just aviation. Under the Aviation and Transportation Security Act (ATSA), which created TSA, the agency is responsible for security in all modes of transportation and for the development of policies, strategies and plans for addressing transportation security threats. The Administration's FY04 budget contains little funding for initiatives related to security in transportation modes other than aviation. The Administration has requested only \$85 million for land security activities.

By contrast, I recommend the following additions to the President's request. First, I urge an additional \$500 million to restore the Administration's proposed cut to the overall TSA budget to ensure the agency can continue to fulfill its existing missions, and to enable TSA to begin to expand its work beyond passenger airline security to other modes of transportation.

In addition to this general increase, I advocate \$500 million in FY 04 for freight and passenger rail security enhancements, based on legislation approved by the Commerce Committee last session (S. 1991). The bulk of the money would fund security improvements for Amtrak, such as protection of bridges, tunnels and key facilities. Amtrak would also receive money to help improve equipment for emergency communications equipment and other security needs, and to train personnel to detect and handle potential attacks. With respect to mass transit, I recommend \$500 million for grants to address urgent transit security needs, as identified by GAO, including communications systems, surveillance equipment and mobile command centers. Additionally, I urge \$200 million in FY 04 for bus security grants, as outlined in legislation (S. 1739) that won the endorsement last session of the Commerce Committee. These grants would enable carriers to improve passenger screening, training and communications, surveillance equipment and other security measures.

Border Security (\$1 B above Administration Budget)

In addition to the port security initiatives I have outlined, we must strengthen other components of our border security. According to GAO, there were roughly 440 million border crossings by individuals into the U.S. in FY 02 at more than 300 designated ports of entry. Individuals entered on foot, on planes, and in more than 131 million cars, buses, trucks and trains. Among their responsibilities, those stationed at the border must safeguard against the illegal entry of individuals, including potential terrorists, as well as searching vehicles and their contents to keep weapons of mass destruction out of the country. GAO has identified numerous weaknesses in our border security, including the need to standardize and consolidate watch lists, improve screening of those seeking to enter the country at ports of entry, and prevent aliens from entering the country between ports of entry, particularly on the northern and southern borders.

To address these concerns, I am advocating an additional \$1 billion in FY 04 to increase border personnel and to improve information technology systems for the border. On personnel, we must strengthen the presence of Customs and immigration inspectors and of Border Patrol agents in key areas. Indeed, some of these enhancements were mandated by the Patriot Act and the Border Security Act but have not been funded and filled to date. I recommend allocating additional funds to hire at least 2,000-3,000 new border personnel. With respect to technology, it is especially critical that we expedite implementation of the biometric document system as mandated by the Patriot Act and Border Security Act. The biometric document system will include biologically unique identifiers for foreigners entering the U.S., reducing the risk that they will enter illegally or under an assumed identity. The Administration clearly has not allocated sufficient resources to achieve this new system in the required timeframe, or anything close to it. In fact, DHS officials recently testified before Congress that DHS will not meet all of the statutory deadlines for implementation of this system. The additional \$1 billion I am advocating for these purposes in FY 04 will allow us to make significant progress on these border security needs.

Critical Infrastructure Protection (\$.5 B above Administration budget)

Homeland security experts have increasingly highlighted the vulnerability of the nation's critical infrastructure as one of the most dangerous gaps in our homeland defenses. About 85 percent of these resources – which include such vital systems as energy distribution grids, chemical and nuclear plants, and communications networks – are in private hands, complicating the process for assuring adequate security. The Administration seems content to continue studying the vulnerabilities of these systems, and has requested about \$500 million for this process in FY 04. This is too sluggish for such a vital task. (On March 18, I wrote to Secretary Ridge setting forth my serious concerns about the inadequacy of the Administration's strategy for protecting our critical infrastructure. In that letter, I noted that the *National Strategy for the*

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*Physical Protection of Critical Infrastructures and Key Assets*, issued on February 14, fails to “list any specific actions to be taken to identify, assess, and protect critical infrastructures or provide any timetable for accomplishing these tasks.”) I propose an additional \$500 million in FY 04 (essentially double the Administration’s proposal) to inventory these systems and work with appropriate private and public entities to get these assessments done at once so that we can move to create action plans and conduct needed security enhancements at the earliest possible moment. In the immediate near term, selected National Guard units can be dispatched to defend potential targets such as underdefended chemical plants and nuclear facilities.

I look forward to discussing these proposals with you and other concerned Senators.

Sincerely,

Joseph I. Lieberman  
Ranking Member

JIL:sep